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March 5, 1996

DEPARTMENT OF LIVESTOCK

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STATE OF MONTANA

(406) 444-2875 MILK CONTROL BUREAU

301 N ROBERTS ST - RM 236
PO BOX 202001
HELENA, MONTANA 59620-2001

(406) 444-1432 FAX

BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANASTATE DOCUMENTS COLLECTION
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

MAR 05 1996

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HELENA, MONTANA 59620PUBLISHED: ~~February~~ 5, 1996EFFECTIVE: April 1, 1996
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Due to the latest data available as of March 5, 1996, as applied to the Producer Formula the Producer Formula Index has been calculated to be 272.78. (Docket #69-84, first price announcement effective 7/01/84)

MINIMUM PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 8.86.301(3)

EFFECTIVE APRIL 1, 1996, the minimum price to be paid milk producers, under ARM 8.86.301, will be \$15.74 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of eight cents for each one-tenth of one percent butterfat above or below the midpoint to each producer payment. The value of one pound of butterfat utilized will be ninety cents (\$.80).

MINIMUM PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 8.86.301(4)

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CLASS II PRICE FOR MILK TESTING 3.5% \$10.90 /CWT
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Average spray process dry milk solids	=	\$1.11750
price per pound	x	8.2
Multiplied by 8.2	-----	
		\$9.16350
PLUS +		\$9.16350

Average Grade 'A' 92 score butter	=	\$0.65500
price per pound	x	4.2
Multiplied by 4.2	-----	
		\$2.75100
PLUS +		\$2.75100

PIECE 7
TWO MILK
LESS 8.5% (\$11.91450 X .085)

\$11.91450	-	\$1.01273

\$10.90177		

Rounded to the nearest whole cent = \$10.90/hundredweight.

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CLASS II BUTTERFAT PRICE PER POUND \$0.75 /LB

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Butterfat differential (\$0.65500 X .111) = \$0.07271
 Rounded to the nearest half cent = \$0.075

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CLASS II VALUE OF ONE POUND OF SKIM \$0.08575 /LB

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Butterfat value per pound = \$0.75
 for milk at 3.5% test:

Hundredweight price of milk testing 3.5% = \$10.90
 LESS 3.5 pounds of butterfat at \$0.75 per pound = \$2.625

 Value of 96.5 pounds of skim = \$8.275

 Value of one pound of skim (8.275 : 96.5 pounds) = \$0.08575 /LB

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PRODUCER CLASS III PRICE IN MONTANA REF: ARM 8.86.301(5)

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CLASS III BUTTERFAT PRICE PER POUND \$0.59 /LB

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Avg. Grade 'A' 92 score butter price/LB \$0.65500
 LESS 10% - \$0.06550

 \$0.58950

Rounded to the nearest whole cent = \$0.59 per pound.

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CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED \$7.61 /CWT

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Avg. spray process dry milk solid price/LB \$1.11750
 Multiplied by 8.2 x 8.2

 \$9.16350
 \$1.55780

 \$7.60570

Rounded to the nearest whole cent = \$7.61 per hundredweight.

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CLASS III PRICE PER CWT FOR MILK TESTING 3.5% \$9.40 /CWT

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3.5 pounds of butterfat x \$0.59 per pound = \$2.065
 96.5 pounds of skim x \$0.07606 per pound = \$7.340

 \$9.405 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Marys M. Koontz
 Marys M. Koontz, ~~Asst.~~ Assistant
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON		CLASS II SKIM PRICE BASED ON		CLASS III SKIM PRICE BASED ON	
\$15.74	FOR 3.5% MILK	\$10.90	FOR 3.5% MILK	\$9.40	FOR 3.5% MILK
96.5 LBS.	=	96.5 LBS.	=	96.5 LBS.	=
\$12.765		\$8.800		\$7.787	

TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.13092	2.50	\$0.09026	2.50	\$0.07987
2.55	\$0.13099	2.55	\$0.09030	2.55	\$0.07991
2.60	\$0.13106	2.60	\$0.09035	2.60	\$0.07995
2.65	\$0.13112	2.65	\$0.09040	2.65	\$0.07999
2.70	\$0.13119	2.70	\$0.09044	2.70	\$0.08003
2.75	\$0.13126	2.75	\$0.09049	2.75	\$0.08007
2.80	\$0.13133	2.80	\$0.09053	2.80	\$0.08011
2.85	\$0.13139	2.85	\$0.09058	2.85	\$0.08015
2.90	\$0.13146	2.90	\$0.09063	2.90	\$0.08020
2.95	\$0.13153	2.95	\$0.09067	2.95	\$0.08024
3.00	\$0.13160	3.00	\$0.09072	3.00	\$0.08028
3.05	\$0.13167	3.05	\$0.09077	3.05	\$0.08032
3.10	\$0.13173	3.10	\$0.09082	3.10	\$0.08036
3.15	\$0.13180	3.15	\$0.09086	3.15	\$0.08040
3.20	\$0.13187	3.20	\$0.09091	3.20	\$0.08044
3.25	\$0.13194	3.25	\$0.09096	3.25	\$0.08049
3.30	\$0.13201	3.30	\$0.09100	3.30	\$0.08053
3.35	\$0.13207	3.35	\$0.09105	3.35	\$0.08057
3.40	\$0.13214	3.40	\$0.09110	3.40	\$0.08061
3.45	\$0.13221	3.45	\$0.09114	3.45	\$0.08065
3.50	\$0.13228	3.50	\$0.09119	3.50	\$0.08069
3.55	\$0.13235	3.55	\$0.09124	3.55	\$0.08074
3.60	\$0.13242	3.60	\$0.09129	3.60	\$0.08078
3.65	\$0.13249	3.65	\$0.09133	3.65	\$0.08082
3.70	\$0.13255	3.70	\$0.09138	3.70	\$0.08086
3.75	\$0.13262	3.75	\$0.09143	3.75	\$0.08090
3.80	\$0.13269	3.80	\$0.09148	3.80	\$0.08095
3.85	\$0.13276	3.85	\$0.09152	3.85	\$0.08099
3.90	\$0.13283	3.90	\$0.09157	3.90	\$0.08103
3.95	\$0.13290	3.95	\$0.09162	3.95	\$0.08107
4.00	\$0.13297	4.00	\$0.09167	4.00	\$0.08111
4.05	\$0.13304	4.05	\$0.09171	4.05	\$0.08116
4.10	\$0.13311	4.10	\$0.09176	4.10	\$0.08120
4.15	\$0.13318	4.15	\$0.09181	4.15	\$0.08124
4.20	\$0.13325	4.20	\$0.09186	4.20	\$0.08128
4.25	\$0.13332	4.25	\$0.09191	4.25	\$0.08133
4.30	\$0.13339	4.30	\$0.09195	4.30	\$0.08137
4.35	\$0.13346	4.35	\$0.09200	4.35	\$0.08141
4.40	\$0.13353	4.40	\$0.09205	4.40	\$0.08145
4.45	\$0.13359	4.45	\$0.09210	4.45	\$0.08150
4.50	\$0.13366	4.50	\$0.09215	4.50	\$0.08154

